1 2 3 4 5 6 7 8	STRUCTURAL PEST DEPARTMENT OF C	Date 2/2/16 By Sugar South	
	STATE OF CALIFORNIA		
$\begin{vmatrix} 10 \\ 11 \end{vmatrix}$	In the Matter of the Accusation Against:	Case No. 2016-39	
12	RITECH EXTERMINATOR, INC. DBA RITECH EXTERMINATOR; JOHN		
13	HYUK PARK	ACCUSATION	
14	2525 W. 8th Street, #203 Los Angeles, CA 90057		
15	Company Registration Certificate No. PR 6355, Branch 3		
16 17	Operator's License Number OPR 12127		
18	Respondent.		
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20	Complainant alleges:		
21	PARTIES		
22	1. Susan Saylor (Complainant) brings this Accusation solely in her official capacity as the		
23	Registrar/Executive Officer of the Structural Pest Control Board, Department of Consumer Affairs		
24	(Board).		
25	2. On or about August 9, 2011, the Board issued Company Registration Certificate		
26	Number PR 6355, Branch 3 to Ritech Exterminator, Inc. dba Ritech Exterminator, with John H.		
27	Park as President, 100% shareholder and Qualifying Manager (Respondent).		
28	3. On December 21, 2010, the Board issued Probationary Operator's License Number		
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	IN THE MATTER OF THE ACCUSATION AGAINST RITECH EXTERMINATOR, INC. DBA RITECH EXTERMINATOR; JOHN HYUK PARK		

OPR 12127 (inactive in Branch 3) to John H. Park (Respondent). The license was placed on a three-year probation, with standard terms and conditions of probation. In or about December 2013, the probation was lifted. On January 6, 2015, the license was suspended for failure to maintain general liability insurance as required by Business and Professions Code section 8690 of the Code. On May 6, 2015, the license was reinstated. The license is currently in effect and renewed through June 30, 2016.

### JURISDICTION AND STATUTORY PROVISIONS

- 4. This Accusation is brought before the Board under the authority of the following laws.

  Unless otherwise indicated, all section references are to the Business and Professions Code

  (Code).
- 5. Section 8620 of the Code provides, in pertinent part, that the Board may suspend or revoke a license when it finds that the holder, while a licensee or applicant, has committed any acts or omissions constituting cause for disciplinary action or in lieu of a suspension may assess a civil penalty.
  - 6. Section 8624 of the Code states:

"If the board suspends or revokes an operator's license and one or more branch offices are registered under the name of the operator, the suspension or revocation may be applied to each branch office.

If the operator is the qualifying manager, a partner, responsible officer, or owner of a registered structural pest control company, the suspension or revocation may be applied to the company registration.

The performance by any partnership, corporation, firm, association, or registered company of any act or omission constituting a cause for disciplinary action, likewise constitutes a cause for disciplinary action against any licensee who, at the time the act or omission occurred, was the qualifying manager, a partner, responsible officer, or owner of the partnership, corporation, firm, association, or registered company whether or not he or she had knowledge of, or participated in, the prohibited act or omission."

### 7. Section 8654 of the Code states:

"Any individual who has been denied a license for any of the reasons specified in Section 8568, or who has had his or her license revoked, or whose license is under suspension, or who has failed to renew his or her license while it was under suspension, or who has been a member, officer, director, associate, qualifying manager, or responsible managing employee of any partnership, corporation, firm, or association whose application for a company registration has been denied for any of the reasons specified in Section 8568, or whose company registration has been

revoked as a result of disciplinary action, or whose company registration is under suspension, and while acting as such member, officer, director, associate, qualifying manager, or responsible managing employee had knowledge of or participated in any of the prohibited acts for which the license or registration was denied, suspended or revoked, shall be prohibited from serving as an officer, director, associate, partner, qualifying manager, or responsible managing employee of a registered company, and the employment, election or association of such person by a registered company is a ground for disciplinary action."

#### 8. Section 8516 of the Code states:

- "(a) This section, and Section 8519, apply only to wood destroying pests or organisms.
- (b) No registered company or licensee shall commence work on a contract, or sign, issue, or deliver any documents expressing an opinion or statement relating to the absence or presence of wood destroying pests or organisms until an inspection has been made by a licensed Branch 3 field representative or operator. The address of each property inspected or upon which work is completed shall be reported on a form prescribed by the board and shall be filed with the board no later than 10 business days after the commencement of an inspection or upon completed work.

Every property inspected pursuant to subdivision or Section 8518 shall be assessed a filing fee pursuant to Section 8674.

Failure of a registered company to report and file with the board the address of any property inspected or work completed pursuant to Section 8518 or this section is grounds for disciplinary action and shall subject the registered company to a fine of not more than two thousand five hundred dollars (\$2,500).

A written inspection report conforming to this section and on a form approved by the board shall be prepared and delivered to the person requesting the inspection or to the person's designated agent within 10 business days of the inspection, except that an inspection report prepared for use by an attorney for litigation purposes is not required to be reported to the board. The report shall be delivered before work is commenced on any property. The registered company shall retain for three years all original inspection reports, field notes, and activity forms.

Reports shall be made available for inspection and reproduction to the executive officer of the board or his or her duly authorized representative during business hours. Original inspection reports or copies thereof shall be submitted to the board upon request within two business days. The following shall be set forth in the report:

- (1) The date of the inspection and the name of the licensed field representative or operator making the inspection.
  - (2) The name and address of the person or firm ordering the report.
  - (3) The name and address of any person who is a party in interest.
  - (4) The address or location of the property.
  - (5) A general description of the building or premises inspected.
  - (6) A foundation diagram or sketch of the structure or structures or

portions of the structure or structures inspected, indicating thereon the approximate location of any infested or infected areas evident, and the parts of the structure where conditions that would ordinarily subject those parts to attack by wood destroying pests or organisms exist.

- (7) Information regarding the substructure, foundation walls and footings, porches, patios and steps, air vents, abutments, attic spaces, roof framing that includes the eaves, rafters, fascias, exposed timbers, exposed sheathing, ceiling joists, and attic walls, or other parts subject to attack by wood destroying pests or organisms. Conditions usually deemed likely to lead to infestation or infection, such as earth-wood contacts, excessive cellulose debris, faulty grade levels, excessive moisture conditions, evidence of roof leaks, and insufficient ventilation are to be reported.
- (8) One of the following statements, as appropriate, printed in bold type: (A) The exterior surface of the roof was not inspected. If you want the water tightness of the roof determined, you should contact a roofing contractor who is licensed by the Contractors' State License Board.
- (B) The exterior surface of the roof was inspected to determine whether or not wood destroying pests or organisms are present.
- (9) Indication or description of any areas that are inaccessible or not inspected with recommendation for further inspection if practicable. If, after the report has been made in compliance with this section, authority is given later to open inaccessible areas, a supplemental report on conditions in these areas shall be made.
  - (10) Recommendations for corrective measures.
- (11) Information regarding the pesticide or pesticides to be used for their control as set forth in subdivision (a) of Section 8538.
- (12) The inspection report shall clearly disclose that if requested by the person ordering the original report, a reinspection of the structure will be performed if an estimate or bid for making repairs was given with the original inspection report, or thereafter.
- (13) The inspection report shall contain the following statement, printed in boldface type:

NOTICE: Reports on this structure prepared by various registered companies should list the same findings (i.e. termite infestations, termite damage, fungus damage, etc.). However, recommendations to correct these findings may vary from company to company. You have a right to seek a second opinion from another company." An estimate or bid for repairs shall be given separately allocating the costs to perform each and every recommendation for corrective measures as specified in subdivision (c) with the original inspection report if the person who ordered the original inspection report so requests, and if the registered company is regularly in the business of performing corrective measures.

If no estimate or bid was given with the original inspection report, or thereafter, then the registered company shall not be required to perform a reinspection.

A reinspection shall be an inspection of those items previously listed on an original report to determine if the recommendations have been completed. Each reinspection shall be reported on an original inspection report form and shall be labeled "Reinspection" in capital letters by rubber stamp or typewritten. Each reinspection

shall also identify the original report by date.

'After four months from an original inspection, all inspections shall be original inspections and not reinspections.

Any reinspection shall be performed for not more than the price of the registered company's original inspection price and shall be completed within 10 working days after a reinspection has been ordered.

- (c) At the time a report is ordered, the registered company or licensee shall inform the person or entity ordering the report, that a separated report is available pursuant to this subdivision. If a separated report is requested at the time the inspection report is ordered, the registered company or licensee shall separately identify on the report each recommendation for corrective measures as follows:
  - (1) The infestation or infection that is evident.
- (2) The conditions that are present that are deemed likely to lead to infestation or infection.

If a registered company or licensee fails to inform as required by this subdivision and a dispute arises, or if any other dispute arises as to whether this subdivision has been complied with, a separated report shall be provided within 24 hours of the request but, in no event, later than the next business day, and at no additional cost.

- (d) When a corrective condition is identified, either as paragraph (1) or (2) of subdivision (c), and the responsible party, as negotiated between the buyer and the seller, chooses not to correct those conditions, the registered company or licensee shall not be liable for damages resulting from a failure to correct those conditions or subject to any disciplinary action by the board. Nothing in this subdivision, however, shall relieve a registered company or a licensee of any liability resulting from negligence, fraud, dishonest dealing, other violations pursuant to this chapter, or contractual obligations between the registered company or licensee and the responsible parties.
- (e) The inspection report form prescribed by the board shall separately identify the infestation or infection that is evident and the conditions that are present that are deemed likely to lead to infestation or infection. If a separated form is requested, the form shall explain the infestation or infection that is evident and the conditions that are present that are deemed likely to lead to infestation or infection and the difference between those conditions. In no event, however, shall conditions deemed likely to lead to infestation or infection be characterized as actual "defects" or as actual "active" infestations or infections or in need of correction as a precondition to issuing a certification pursuant to Section 8519.
- (f) The report and any contract entered into shall also state specifically when any guarantee for the work is made, and if so, the specific terms of the guarantee and the period of time for which the guarantee shall be in effect.
- (g) Control service is defined as the regular reinspection of a property after a report has been made in compliance with this section and any corrections as have been agreed upon have been completed. Under a control service agreement a registered company shall refer to the original report and contract in a manner as to identify them clearly, and the report shall be assumed to be a true report of conditions as originally issued, except it may be modified after a control service inspection. A

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conspicuous place, unless the owner or owner's agent objects, in addition to any other

notification required by this section.

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- 20. Application for Registration of Company (July 2011): On January 23, 2007, the Contractors' State License Board (CSLB) issued license number 889979 (B Classification) to Ritetech Construction Inc., John Hyuk Park (CEO/President). License number 889979 was revoked by CSLB on January 12, 2010, pursuant to section 7090.1 of the Code. On July 26, 2011, Respondent submitted an Application for Registration of Company to the Board under the penalty of perjury of the laws of the state of California. Question 8 on the application inquired: "[h]ave you, or any of you, ever had a professional or vocational license refused, suspended or revoked by this or any other State?" Respondent answered "no." Question 9 on the application inquired: "[h]ave you, or any of you, ever been connected with any person, copartnership or corporation, whose professional or vocational license was refused, suspended or revoked by this or any other State?" Respondent answered "no."
- Del Zuro Property: Respondent agreed to do a complete inspection and report on a property located at 7419 Del Zuro Drive in Los Angeles, California (Del Zuro property). On January 13, 2015, Respondent inspected the Del Zuro property and issued a limited separated inspection report, which contained five findings and recommendations, including termite infestations, termite damage, and decay fungi damage. Respondent failed to issue an inspection report for the January 13, 2015, inspection within ten business days of the inspection. Respondent then agreed to do a full set of termite repairs at the Del Zuro property. Respondent began work and treatment of the Del Zuro property on February 19, 2015. However, Respondent failed to provide the property owner with clear written notice of the pesticides applied in or around the property before their respective use on February 19, 2015. Respondent also failed to issue a completion notice for the work completed on February 19, 2015. Respondent returned to the Del Zuro property on July 20, 2015, and did a local treatment. Respondent again failed to provide the property owner with clear written notice of the pesticides applied in or around the property before their respective use on July 20, 2015. Respondent also failed to issue an inspection report and a completion notice for the work completed on July 20, 2015. Respondent failed to file with the Board notice of Wood Destroying Organism activities. A subsequent inspection revealed that

termite infestations were active and extend into areas that are physically inaccessible for local chemical treatments:

#### FIRST CAUSE FOR DISCIPLINE

## (Misrepresentation of Material Fact in Obtaining License)

22. Respondent is subject to disciplinary action under section 8637 of the Code in that he misrepresented a material fact in his application to obtain a license or company registration. The conduct is described in more particularity in paragraph 20 above, inclusive and hereby incorporated by reference.

### SECOND CAUSE FOR DISCIPLINE

### (Failed to Issue an Inspection Report)

23. Respondent is subject to disciplinary action under section 8516 of the Code in that Respondent failed to issue an inspection report to the person requesting the inspection within ten business days of the inspection. Specifically, Respondent failed to timely issue inspection reports for the January 13, 2015, and July 20, 2015, inspections. The conduct is described in more particularity in paragraph 21 above, inclusive and hereby incorporated by reference.

### THIRD CAUSE FOR DISCIPLINE

## (Failed to Issue Completion Notice)

24. Respondent is subject to disciplinary action under section 8518 of the Code in that Respondent failed to issue a completion notice to the person requesting the completion notice within ten business days of completing the work. Specifically, Respondent failed to timely issue completion notices for the treatments/repairs on February 19, 2015, and July 20, 2015. The conduct is described in more particularity in paragraph 21 above, inclusive and hereby incorporated by reference.

### FOURTH CAUSE FOR DISCIPLINE

## (Failed to Report Address of Property Inspected)

25. Respondent is subject to disciplinary action under section 8516 of the Code, section 8518 of the Code, and California Code of Regulations title 16, section 1996.3, in that Respondent failed to file with the Board the address of the property inspected (or upon which work was

completed) no later than ten days after the commencement of an inspection or upon completed work. The conduct is described in more particularity in paragraph 21 above, inclusive and hereby incorporated by reference.

### FIFTH CAUSE FOR DISCIPLINE

# (Failed to Provide Consumers with Notice of Pesticides Applied)

26. Respondent is subject to disciplinary action under section 8538, subdivision (a)(3) of the Code in that he failed to provide the consumer with clear, written notice of the pesticides applied in or around the property, prior to their respective use. The conduct is described in more particularity in paragraph 21 above, inclusive and hereby incorporated by reference.

# SIXTH CAUSE FOR DISCIPLINE

# (Failure to Exterminate Drywood Termite Infestation)

27. Respondent is subject to disciplinary action under section 8638 of the Code in that Respondent failed to exterminate drywood terminate infestations through the use of chemical treatments on the Del Zuro property. The conduct is described in more particularity in paragraph 21 above, inclusive and hereby incorporated by reference.

### SEVENTH CAUSE FOR DISCIPLINE

# (Failure to Complete Work on Inspection Report)

28. Respondent is subject to disciplinary action under section 8638 of the Code, and California Code of Regulations title 16, section 1937.14 in that Respondent failed to complete the work reported on the January 13, 2015, inspection report, resulting in a financial injury to the consumer in the amount of \$8,500.00. The conduct is described in more particularity in paragraph 21 above, inclusive and hereby incorporated by reference.

# EIGHTH CAUSE FOR DISCIPLINE

## (Gross Negligence and Fraudulent Act)

29. Respondent is subject to disciplinary action under section 8642 of the Code in that he was grossly negligent and committed a fraudulent act. Specifically, Respondent told the consumer that he would do a complete report of the Del Zuro property but he only did a limited inspection and report. The conduct is described in more particularity in paragraph 21 above, inclusive and

#### **PRAYER**

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Structural Pest Control Board issue a decision:

- 1. Revoking or suspending Company Registration Certificate Number PR 6355, Branch 3, issued to Ritech Exterminator, Inc. dba Ritech Exterminator; John Hyuk Park and Operator's License Number OPR 12127 issued to John H. Park;
- 2. Prohibiting John H. Park from serving as an officer, director, associate, partner, qualifying manager, or responsible managing employee of any registered company during the period that discipline is imposed on Operator License Number OPR 12127, issued to John H. Park;
- 3. Ordering John Hyuk Park to pay the Structural Pest Control Board the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 125.3;
- 4. Ordering John Hyuk Park to pay restitution of all damages according to proof suffered by owners of the incident property as a condition of probation in the event probation is ordered;
  - 5. Taking such other and further action as deemed necessary and proper.

DATED: 22120

SUSAN SAYLOR

Registrar/Executive Officer Structural Pest Control Board Department of Consumer Affairs

State of California Complainant

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